

RESOLUTION NO. 8-99  
(Adopted January 19, 1999)

AUTHORIZING THE EXECUTION OF LOAN AGREEMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$80,000,000 RELATING TO THE ISSUANCE OF TAX ALLOCATION REVENUE REFUNDING BONDS BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, APPROVING THE OFFICIAL STATEMENT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO

**BASIS FOR RESOLUTION**

1. The City and County of San Francisco and the Redevelopment Agency of the City and County of San Francisco (the "Agency") entered into a Joint Exercise of Powers Agreement dated as of July 11, 1989, establishing the City and County of San Francisco Redevelopment Financing Authority (the "Authority") for the purpose of issuing its bonds to be used to provide financial assistance to the Agency.

2. Pursuant to Article 11 of Chapter 3 Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law"), if certain minimum yield savings are achieved the Authority proposes to issue one or more series of bonds designated as the 1999 Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects) (the "Bonds") for purposes of enabling the Authority and the Agency to refinance existing indebtedness on more favorable terms. The Authority may elect to realize some or all of the savings by issuing some of the Bonds as additional bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 ("Additional Bonds").

3. The Bonds will be repaid from, and secured by, payments made to the Authority by the Agency pursuant to one or more Loan Agreements, as defined below.

4. The Authority and the Agency propose to sell the Bonds by competitive sale, and, in connection with the offering of such Bonds, the Authority and the Agency will prepare or cause to be prepared an Official Statement and one or more Official Notices Inviting Bids relating to the Bonds.

**FINDINGS AND DETERMINATIONS**

5. Proceeds of any Additional Bonds will be used for, among other things, the construction, acquisition and/or financing of certain public capital improvements pursuant to an approved budget of the Agency. The use of the proceeds of the Additional Bonds will relieve

the Agency of the need to issue debt of an equivalent amount in the future, thus reducing the future costs of bond preparation, bond underwriting and bond issuance costs. This reduction in costs will reduce correspondingly the Agency's need to receive future tax allocation payments and benefit the property taxpayers in the Agency's project areas, most of whom are citizens of San Francisco. In accordance with Sections 6586 and 6586.5 of the California Government Code, the Agency finds therefore that this financing represents a significant public benefit within the meaning of that Section.

6. This approving resolution and findings are being considered after a public hearing held by the Agency, notice of which was published in a newspaper of general circulation within the City and County of San Francisco once at least five (5) days prior to such hearing.

## RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

**Section 1. Approval of Loans.** The Agency authorizes and approves the borrowing from the Authority pursuant to loan agreements with respect to one or more loan agreements (the "Loan Agreements") to accomplish the refunding contemplated by the issuance of the Bonds. The Loan Agreements are approved substantially in the form lodged with the Agency General Counsel, with any additions or changes therein deemed necessary or advisable by the Executive Director or the Deputy Executive Director, Finance and Administration, and the execution thereof shall be conclusive evidence of the approval of any such changes or additions. The proceeds of the loans will be used by the Agency for financing or refinancing its redevelopment activities. The Executive Director and the Deputy Executive Director, Finance and Administration, each acting alone, are authorized to execute, and the Secretary is authorized to attest to, the final form of the Loan Agreements for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Loan Agreements for borrowings in an aggregate principal amount not to exceed \$80,000,000.

**Section 2. Official Statement.** The Agency hereby approves the use of an Official Statement describing the Bonds, a draft of which is lodged with the Agency General Counsel, and authorizes and directs the Executive Director and/or the Deputy Executive Director, Finance and Administration, in consultation with bond counsel, to make such additions and changes as are necessary to describe the Bonds and the current financial condition and other affairs of the Agency accurately and completely. Distribution of the final Official Statement by the winning bidder for the Bonds is hereby approved. In addition, distribution of a preliminary Official Statement is hereby approved, and, prior to the distribution of the preliminary Official Statement, the Executive Director and the Deputy Executive Director, Finance and Administration, each acting alone, are authorized and directed, on behalf of the Agency, to deem the preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934. The final Official Statement will be executed in the name and on behalf of the Agency by the

Executive Director or the Deputy Executive Director, Finance and Administration, both of whom, each acting alone, are authorized to execute the final Official Statement on behalf of the Agency.

**Section 3. Competitive Sale.** The Authority authorizes the sale of the Bonds at competitive sale. The Authority authorizes the Executive Director and the Treasurer to take any and all actions necessary to sell the Bonds, including the preparation of one or more Official Notices Inviting Bids and the preparation, execution and delivery of any documents necessary or desirable to facilitate the sale of the Bonds through the Internet or other online services, if in the opinion of the Executive Director or the Treasurer such use of the Internet or other online service is desirable. The coupon rate (yield to maturity with respect to capital appreciation bonds, if any) payable with respect to all of the Bonds shall not exceed nine percent (9%) per annum and the underwriters' discount (excluding original issue discount) shall not exceed three percent (3%) of the par amount of the Bonds. Further, the Refunding Bonds shall not be issued unless the cumulative savings (calculated on a present value basis) generated by the issuance of the Refunding Bonds exceeds 2.5% of the debt service being refunded.

**Section 4. Official Actions.** The President, the Vice-President, the Executive Director, the Deputy Executive Director, Finance and Administration, the Secretary, the Agency General Counsel and any and all other officers of the Agency are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including the execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds and the making of the loans pursuant to the Loan Agreements.

Approved as to Form:



*for* \_\_\_\_\_  
David M. Madway  
Agency General Counsel